family economics review

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ORGANIC FOODS

In many sections of the United States consumers are showing an interest in and are buying organic foods. They choose organic foods even though such foods are not necessarily more nutritious and their cost is 1-1/2 to 2 times the cost of similar foods on the regular market.

A few years ago, these foods could be obtained only at small special foodstores. Now, many large supermarkets have sections for organic foods and some cafeterias offer organic selections. In some areas, individuals committed to the movement are joining together to buy organic foods in bulk and sell them at a low profit. The variety of organic foods on the market is also increasing. Canned fruits; juices and preserves; dried fruits and vegetables; cereals, pastas, and breads; and meat, poultry, and eggs, as well as fresh fruits and vegetables can be purchased with an organic label.

What is an organic food? Consumers generally expect organic foods to be produced without pesticides and artificial fertilizers and to be free of preservatives, hormones, and antibiotics. However, there is no legal definition for organic foods. Producers, manufacturers, and retailers, therefore, may use the term loosely in advertising and labeling these foods.

Because of the tremendous amount of misrepresentation in the marketing of organically grown food, Representative Edward L. Koch of New York has proposed legislation to legally define the terms "organically grown" and "organically processed" food as follows:

> "The term 'organically grown food' means food which has not been subjected to pesticides or artificial fertilizers and which has been grown in soil whose humus content has been increased by the addition of organic matter.
>
> "The term 'organically processed food' means organically grown food which in its processing has not been treated with preservatives, hormones, antibiotics, or synthetic additives of any kind."[1/]

The legislation would require Government inspection several times a year of farms claiming to produce organic foods. Fresh produce from these farms could carry a seal certifying them to be "organically grown foods." Products from such farms that are processed according to regulations could carry a Federal seal certifying them to be "organically processed foods."

In a further step, Senator Alan Cranston of California introduced an amendment to the Federal Food, Drug, and Cosmetic Act. It is substantially the same as the bill by Representative Koch.

Contrary to some claims, food labeled organic is not necessarily more nutritious. According to Dr. Ruth Leverton, a science adviser for the U.S. Department of Agriculture, such foods may have desirable characteristics not always found at the usual food

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1/ H.R. 14941 (House bill) May 11, 1972; Representative Edward L. Koch.

Costs of selected foods advertised as organic in 3 stores and compared with cost of similar foods not labeled organic (regular) in a supermarket, Washington, D.C., May 1972 1/

Food	Unit	Cost of regular food in supermarket	Cost of organic food as percentage of regular food bought in--		
			Supermarket	Health foodstore	Natural foodstore 2/
		Dollars	Percent	Percent	Percent
Processed Foods					
Canned fruits, juices, and preserves:					
Apple juice	Qt.	0.29	224	259	172
Grape juice	Qt.	.60	198	175	213
Prune juice	Qt.	.42	236	164	231
Applesauce	Lb.	.25	212	236	228
Apple butter	Lb.	.16	550	600	544
Peach preserves	Lb.	.44	248	198	220
Plum preserves	Lb.	.42	212	174	---
Dried fruits and vegetables:					
Peaches, pitted	Lb.	.73	181	229	212
Prunes, with pits	Lb.	.55	162	144	145
Raisins	Lb.	.40	222	---	175
Pinto beans	Lb.	.20	295	595	195
Cereals, pastas, and bread:					
Cornmeal	Lb.	.14	214	314	150
Rice, cream of	Lb.	.44	134	227	148
Rice, brown, long grain	Lb.	.25	188	180	140
Macaroni	Lb.	.25	316	---	276
Spaghetti	Lb.	.25	344	---	360
Whole wheat bread	Lb.	.33	3/148	3/148	---
Other:					
Honey	Lb.	.55	144	191	91
Peanut butter	Lb.	.54	165	194	157
Peanut oil	Qt.	1.11	196	227	156
Vinegar, cider	Qt.	.33	300	239	339
Unprocessed foods					
Poultry and eggs:					
Chicken					
Fryer, whole	Lb.	.33	179	227	---
Fryer, cut-up	Lb.	.39	167	203	---
Eggs	Doz.	.45	189	---	189
Fresh fruits and vegetables:					
Apples, Rome	Lb.	.20	150	---	100
Grapefruit	Lb.	.17	171	218	147
Lemons	Lb.	.59	83	88	59
Oranges	Lb.	.18	161	206	111
Asparagus	Lb.	.49	141	167	129
Carrots	Lb.	.25	100	116	116
Celery	Lb.	.31	177	94	94
Cucumber	Lb.	.19	416	363	300
Lettuce					
Iceberg	Lb.	.17	288	188	206
Romaine	Lb.	.35	140	74	100
Onions	Lb.	.16	125	150	181
Potatoes, white	Lb.	.10	160	230	200
Spinach	Lb.	.72	131	175	49
Yams	Lb.	.28	125	150	125

1/ If a variety of brands or package sizes was available, the price of the lowest cost item was chosen.
2/ A low-profit store. Many foods are purchased in bulk. Some are repackaged at the store in smaller containers; some are sold in the customer's own container.
3/ Made with organic flour with no preservatives or additives.

market--they may be fresher and more flavorful. However, greater value in vitamins and minerals is not likely to be one of these characteristics.

Because production of foods advertised and labeled as organic (organic foods) is limited, they usually cost more than similar foods produced by regular methods (regular foods). To illustrate these differences, 38 organic foods and their regular counterparts were priced by the USDA at a large Washington, D.C., area supermarket in May 1972. Further comparisons were made between the regular foods at the supermarket and organic foods at a large health foodstore and a low-profit natural food store in the Washington, D.C., area. A market basket made up of a unit (pound or quart) of each of 29 organic foods available in all the stores cost $20.30 at the supermarket, $21.90 at the health foodstore, and $17.80 at the natural foodstore. A similar basket of regular foods could be bought for considerably less--$11.00--at the supermarket.

The difference between the supermarket cost of organic and regular foods in the market basket was greater for processed than for unprocessed foods. The cost of 16 processed organic foods, such as fruits and vegetables and cereals, pastas, and bread, averaged about twice the cost of regular foods. The 13 unprocessed organic foods, such as poultry and eggs and fresh fruits and vegetables, cost on the average, about 1-1/2 times as much as their regular counterparts.

Prices of processed organic foods varied at the three stores studied (see table). For example, organic apple juice cost 1-3/4 to 2-1/2 times as much as regular apple juice at the supermarket depending on where the organic juice was purchased. Organic pinto beans cost from 2 to 6 times as much; organic cornmeal cost from 1-1/2 to 3 times as much; and organic honey cost from slightly less to twice as much as regular honey. There was some variation in brands and package sizes among the three stores that may have accounted for a part of the price difference. In each store, the brand or package with the lowest cost per unit was priced.

The cost of unprocessed organic foods also varied from store to store. Organic oranges cost from about the same to twice as much as regular oranges. Organic celery ranged in cost from slightly less to 1-3/4 times as much; organic cucumbers, from 3 to 4 times as much; organic iceberg lettuce, from about 2 to 3 times as much; and organic spinach, from only one-half as much to 1-3/4 times as much as regular spinach at the supermarket. These relationships are expected to vary from time to time and place to place because the season and the nearness of the farmer to a market will affect the cost of produce.

These price differences are similar to the results of a study conducted by the New York Department of Consumer Affairs last year. They found organically produced foods cost about twice as much as their regular counterparts. The study also showed that the cost of organic food varied from store to store.

Families substituting organic for regular food are likely to pay more for a similar diet. The total cost of organic foods could be reduced, however, by comparison shopping.

--Cynthia Cromwell

NUTRITION LABELING--MORE INFORMATION TO HELP THE CONSUMER SELECT FOODS

Food manufacturers are encouraged to label foods for their nutrient content in a new program proposed by the Food and Drug Administration (FDA). 1/ If this program is implemented, the consumer could learn the nutritive value of a serving of food contained in a package or can by reading the label.

The nutrition labeling program is voluntary. However, if a manufacturer chooses to give nutrition information about his product, he must follow a mandatory format giving specific information. As proposed by FDA the label must show (see sample label):

- The size of a serving expressed as a common household measure or as a unit that can be easily identified as a serving.

- The amount of food energy (in calories) and of protein, fat, and carbohydrate (in grams) that a serving provides.

- The amount of at least eight nutrients--protein, vitamin A, thiamin, riboflavin, niacin, vitamin C, calcium, and iron--that a serving provides, expressed as the percentage of a standard Recommended Dietary Allowance (RDA) for a day. Percentages are given in 10-percent increments except that 5-percent increments may be used up to the 20-percent level. Percents below 5 are not shown.

The standard RDA is based on the Recommended Dietary Allowance set by the Food and Nutrition Board of the National Research Council in 1968 for 24 age categories of healthy men, women, children, and infants in the United States. The highest allowance for any of the 24 age categories was adopted as the standard RDA for all nutrients except calcium.

Uses of information on labels. --The nutrition labeling program as proposed would provide a convenient source of nutrition information for canned and other packaged foods. With this information, the consumer could compare amounts of food energy, fat, and carbohydrate in a serving of various packaged foods and determine which of them are worthwhile sources of protein and selected vitamins and minerals. The consumer could also compare roughly the amounts of nutrients in commercially prepared mixtures and in formulated foods with the amounts of nutrients in conventional packaged foods. Perhaps, even more importantly, nutrient labeling would emphasize the need for a varied diet by demonstrating that most foods are worthwhile sources of only a few nutrients.

The consumer who wants to determine whether foods he selects make up a good diet could use information on the labels of the packaged foods he eats. In addition, he would need comparable information for foods that are marketed fresh--fruits and vegetables and meat, poultry, and fish, for example. Such information for fresh foods, which

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1/ Federal Register, March 30, 1972.

accounted for over one-third of the money spent in 1970 for food in grocery stores, [2] could be developed from USDA tables of food composition [3] and posted in stores or published in bulletins for consumers.

NUTRITION INFORMATION

ONE CUP

Calories	255
Protein	8 grams
Fat	5 grams
Carbohydrate	45 grams

PERCENT OF RECOMMENDED DAILY ALLOWANCE (RDA)

Protein	10
Vitamin A	10
Vitamin C	30
Thiamin	5
Riboflavin	15
Niacin	20
Calcium	0
Iron	5

Nutrition information of the type proposed for labeling is not precise. Using such information, the consumer would tend to underestimate the nutritional quality of his day's food because the standard RDA is higher than the recommended allowance for most of the 24 age-sex categories. Also, contributions of less than 5 percent of the standard are not reported on the label. The accumulated contribution of certain nutrients providing less than 5 percent of the standard in a diet could be substantial. For the consumer who wants to estimate the nutritive value of his diet and compare results with the Recommended Dietary Allowance for his age-sex category, more precise information is now available in the USDA publication, "Nutritive Value of Foods," HG-72. [4]

What about the Daily Food Guide? -- The nutrition education materials for consumers developed by the USDA have, heretofore, focused on food guides--the kinds and amounts of foods to eat -- rather than on the nutritive value of foods. Consumers have been urged to concern themselves about how much milk they should drink, not about how much calcium or riboflavin they should have each day. Some people have suggested that the Daily Food Guide [5] with its Basic Four groups--milk, meat, vegetables and fruit, and breads and cereal--be abandoned in favor of nutrition labeling as a tool for choosing a good diet. USDA nutritionists expect, however, that even with the added convenience of nutrition information on labels, most consumers will prefer the less complicated food group approach to food selection.

2/ Estimated from the 24th Annual Consumer Expenditure Study, Supermarketing, September 1971.

3/ U.S. Department of Agriculture, Agricultural Research Service, Composition of Foods, U.S. Dept. Agr. Handbk. No. 8, Revised December 1963.

4/ Single copies can be obtained free from the Office of Information, U.S. Department of Agriculture, Washington, D. C. 20250. Send your request on a postcard and include your ZIP Code.

5/ Food for Fitness--A Daily Food Guide. USDA Leaflet 424.

The Department will continue to use the food guide in some of its nutrition education publications. Guidance materials will include suggestions on how to count new foods on the market: For example, commercially prepared mixtures--such as plate dinners, pot pies, soups, prepared puddings, jams, and fruit punches--that do not clearly fall into one of the four food groups. These mixtures accounted for a little over 5 percent of the food money spent in grocery stores in 1970 (see reference to footnote 2). However, some consumers undoubtedly used them more frequently than this percentage indicates.

Implications for the teacher and leader. --Whichever tool the consumer selects--nutrition information from labels and food composition tables or a food guide, or a combination of the two--the nutrition educator will need to continue to explain how that tool can be used to choose a good diet. Nutrition information of the type proposed by the FDA will initiate many new questions such as: What is an RDA? What are thiamin and other nutrients listed? What do they do in the body? How can I use label information to decide which food is the most economical source of a nutrient? Should I always buy the food that has the highest percent shown on the label? For which nutrient? Are foods with low percents, like applesauce and beets, not good for me? Should I try to total the percents for food I eat to see if I get enough? Can I get too much of any nutrient? Aids for the teacher and leader and for the consumer will be required to help answer these questions. Guidance in the use of the nutrition information on labels and the use of comparable information for unlabeled food will be needed.

If FDA proposals for nutrition labeling or adaptations of them are adopted, supplemental and interpretive information for consumers and leaders will be provided by USDA as a part of their ongoing nutrition education programs. Currently the Agricultural Research Service is working with FDA and industry to expand their tables of food composition to support and supplement a labeling program.

--Betty Peterkin

The farm population in the United States declined from 9.7 million persons in April 1970 to 9.4 million persons in April 1971, continuing a longtime downward trend. Since 1960, the farm population has declined by about two-fifths--an average annual decline of 4.6 percent. In 1920 about 1 person in 3 was living on a farm. By 1971 only 1 person in 22 or 4.6 percent of the total U.S. population had a farm residence.

Nonwhite persons left the farm at a greater rate than white persons between 1960 and 1971. The average annual decline for Negro and other nonwhite races was 9.7 percent compared with a decline of 3.9 percent for whites. The resulting shift in racial distribution in the farm population is shown in the table below:

	Racial distribution of farm residents			
	1971		1960	
	Number	Percent	Number	Percent
Total	9,425,000	100.0	15,699,000	100.0
White	8,542,000	90.6	13,092,000	83.6
Negro and other nonwhite races	844,000	9.4	2,577,000	16.4

The farm population has also shifted from a relatively young population to an older population. Between 1960 and 1971 the number of children under 14 years living on farms declined by 52 percent. This decline compares with a 39 percent decline for persons 14 to 54 years, and a 20 percent decline for persons 55 years and over. As a result, young children (under 14 years) made up 25 percent of the farm population in 1971, down from 32 percent in 1960, and persons 55 years and over accounted for 24 percent of the population in 1971, up from 18 percent in 1960.

In 1971, about three-fifths of the farm population 14 years and over were in the labor force. The unemployment rate was relatively low compared with that of the off-farm population (2.5 and 6.2 percent, respectively). Slightly more than half (54 percent) of the farm resident labor force was employed in agriculture, a decrease of 10 percentage points from 1960 when 64 percent were employed in agriculture. Most farm residents employed in agriculture were self-employed while those employed in nonagricultural industries were more likely to be wage and salary workers.

About three-fifths of all persons employed in agriculture in 1971 were farm residents, the other two-fifths had nonfarm residences. The proportion of nonfarm residents engaged in agriculture has decreased since 1960 when they were one-fourth of the total, reflecting a trend among farm wageworkers to commute from a nonfarm place of residence to the job.

Source: U. S. Department of Commerce, Bureau of the Census. Farm Population, Ser. D-27, No. 43. May 1972.

ELECTRIC POWER: A CRISIS AHEAD?

Many consumers experienced power blackouts or brownouts last summer when prolonged hot weather pushed demand to record levels. In some areas, severe air pollution forced power plants to reduce output or even shut down temporarily. Demands on our power resources will continue. Experts say that in 20 years the United States will require four times as much electricity as today. 1/

Are we approaching an electric power crisis? Perhaps; but at this stage, "challenge" is the better word. We must develop energy resources and generating capacity that will supply burgeoning future needs--and do this without endangering our air and water and other environmental resources.

The concern. --The fossil fuels--coal, oil, and gas--now supply about 80 percent of the electricity generated in the United States; hydroelectric power and nuclear power supply the rest. Other sources--magnetic, gravitational, and solar energy, for example--are potentially valuable, but not yet feasible technologically. Thus, for the time being, we must rely heavily on the fossil fuels. Today, the future of these fuels is of great concern. Their continued availability, as well as their impact on the environment, is being questioned.

Are we running out of fuel? There is wide disagreement here. One report states that world oil reserves will be exhausted in about 50 years and that coal reserves will not last beyond the year 2400. Advertisements in newspapers and magazines call attention to dwindling reserves of natural gas. Another source states that there is no geological crisis; that current supply problems have resulted from overzealous environmentalists and too much governmental regulation. No one can speak with certainty about long-term supply. We know what resources have already been discovered but can only speculate about those yet to be found. We can, however, make several generalizations about the future of fossil fuels:

- Their importance to total generation of electricity and to total energy supply will decline;

- Supplies will become less accessible--thus, deeper drilling, more exploration of resources beneath the ocean floor, and greater distances between the raw material and the consumer;

- Prices will continue to rise.

What happens to fuel that is burned to produce electricity? Unfortunately, much of it ends up as pollution, recently defined as "misplaced resources." In a modern fossil-fuel power plant, less than 40 percent of the heat released is converted into electrical energy. The rest, called waste heat or thermal pollution, is lost into the water or

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1/ Federal Power Commission, The 1970 National Power Survey, December 1971, Part I, p. I-1-13.

air. Nuclear power plants are even less efficient, wasting about 70 percent of the heat produced. The electric power industry has a better record on air pollution than many other industries yet still contributes about 10 percent of the national total from all sources or about 25 million tons a year. In terms of specific pollutants, electric power is responsible for 50 percent of the U.S. total for sulfur oxides (harmful to human, animal, and plant life and to paint, metals, building materials, fibers, and automobile tires), 20 percent of the total for nitrogen oxides (form smog and ozone), and 20 percent of the total for particulate matter (fly ash or soot). The amount of electricity that would supply one home for one year is responsible for 140 pounds of sulfur oxides, 35 pounds of nitrogen oxides, and 50 pounds of particulate matter.[2/] Another aspect of the air pollution problem is blackouts or brownouts, which can occur when State or local authorities require potential polluters, including power plants, to reduce output temporarily. Other undesirable byproducts of producing electric power include strip-mined land, noise from generating facilities, and landscapes cluttered with transmission lines. In the past, these environmental costs have not been included in the price consumers pay for electricity. In the future, we can expect higher prices for electric power as environmental debts are settled and as new technology is explored and developed.

The consumer. -- In 1912 (the first year for which complete data are available) residential use of electricity accounted for only 4 percent of total use. Commercial use accounted for 16 percent, and industrial use for 45 percent.[3/] In that year, only 16 percent of U.S. homes had electric service; among those homes average annual use per household was 264 kilowatt-hours--an amount that today would last the average household only 2 weeks.

Industry is still the largest consumer, though its share has dropped slightly (to 40 percent). Commercial use, now in third place, accounts for 22 percent. Residential use, at 25 percent, has become an important part of total demand, particularly in densely populated areas.

Population growth, rising incomes, and greater availability and ownership of appliances have led to the increased importance of residential use of electricity. Today's families use electricity for tasks ranging from heating and cooling the home to mowing the lawn and recharging batteries of portable appliances. Appliances that add to the comfort of the home or the convenience of the user can be expensive in terms of consumption of electricity. For example, replacing a roll-about fan with a room air conditioner will add about 1,250 kilowatt-hours (kw.-hr.) to the annual electric bill--about 200 kw.-hr. more than the average household's annual use for lighting. In dollar terms the air con-

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2/ Based on 80 percent generation by fossil fuels; 1969 average annual residential use of electricity, Typical Electric Bills, Federal Power Commission, December 1970; and estimates of 1968 emissions of the National Air Pollution Control Office as reported in The 1970 National Power Survey, I-11-12. (Coal supplied about 60 percent of electricity generated by fuel and 90 percent or 24.1 million tons of the airborne pollutants.)

3/ Miscellaneous uses and losses bring the total to 100 percent.

ditioner will add about $25 (net) to the year's bill. The following table shows additional charges for "deluxe" over "standard" models of selected appliances:

Item	Additional charges per year	
	Kilowatt-hours	Dollars
Color vs. black & white television	140	3
Frostless vs. standard refrigerator (14 cubic foot)	690	14
Quick-recovery vs. standard water heater	600	12

Note. --Kilowatt-hours based on 1969 estimates of Edison Electric Institute as reported in The 1970 National Power Survey, p. I-3-9. Dollar value based on U.S. average annual charge per kilowatt-hour at average annual level of use. Typical Electric Bills, Federal Power Commission, Dec. 1970.

A growing number of homes use electricity to power the heating and air-conditioning systems, water heater, and kitchen range. About one-third of the homes built in 1970 were "all-electric homes." These homes use about three times as much electricity as the average for all homes; electric air-conditioning and heating systems each can consume in a year more electricity than the average household uses for all purposes. In terms of fossil fuel consumed, a fuel-burning furnace is generally more efficient than electric heat; because the combustion process takes place within the furnace, more of the heat released by the fuel can be utilized. Any type of heating system, however, will use less fuel if it is properly maintained and if the home is properly insulated and kept free of drafts.

If consumers were to cut back their use of electricity in the home, it would make only a small dent in total electric consumption. To an individual utility system, however, the saving could be crucial--particularly in dense residential areas during extremes of weather and hours of peak demand (generally late afternoon or early evening). When a voltage reduction or a blackout threatens, consumers may be asked to conserve electricity to reduce the total number of watts the system must supply at a given instant. Appliances that involve heating or cooling generally are highest in wattage (see table).

More information. --This article has focused on the electric power situation for the U. S. as a whole. The situation will vary throughout the country depending on the power facilities available, the amount of service required by various customers, and the nature of seasonal and daily peaks. The cost of electric power to consumers also varies. For specific information about his own area, a reader should contact his local utility company, directing the request to the home economist or consumer representative.

Several publications comparing cost and consumption data for cities and regions are available. Typical Electric Bills, Federal Power Commission, 1970, which compares cost and consumption data by city is available for $1.50 from the Superintendent of Documents, U. S. Government Printing Office, Washington, D. C. 20402. Regional information is available from The 1970 National Power Survey, by the Federal Power Commission. Part II is $6.00 and includes the Northeast, East Central, and Southeast

Average wattage of selected electrical appliances

Appliance	Average wattage	Appliance	Average wattage
High range:		Moderate range:	
Stove	12,207	Vacuum cleaner	630
Clothes dryer	4,856	Automatic washer	512
Air conditioner (window)	1,566	Color T.V.	332
Deep fat fryer	1,448	Floor polisher	305
Broiler	1,436	Black & white T.V.	237
Hotplate	1,257	Low range:	
Dishwasher	1,201	Sewing machine	75
Electric frying pan	1,196	Heating pad	65
Waffle iron	1,116	Radio	71
Iron	1,088	Vibrator	40
		Shaver	14
		Toothbrush	7
		Clock	2

Source: Edison Electric Institute, as reported in National Power Survey, p. I-3-9.

regions. Part III is $5.25 and includes the South Central, West Central, and West Regions. Both are available from the Superintendent of Documents.

Also, the Office of Consumer Affairs prepared two publications suitable for classroom use or for working with families: 11 Ways to Reduce Energy Consumption and Increase Comfort in Household Cooling, (30 cents from Supt. Doc.), and 7 Ways to Reduce Fuel Consumption in Household Heating--Through Energy Conservation, (25 cents from Supt. Doc.).

--Marilyn J. Doss

Sources: Federal Power Commission, The 1970 National Power Survey, Parts I and IV, December, 1971. Fed. Power Comm., All-Electric Homes, Annual Bills, 1970. Fed. Power Comm., Typical Electric Bills, 1970. U.S. Bureau of the Census, Historical Statistics of the United States, Colonial Times to 1957, 1960.

WHO HAS HEALTH INSURANCE?

About 78 percent of the population below age 65 had hospital insurance in 1968 and almost 77 percent had surgical insurance. Despite increases in coverage of both types of health insurance between 1963 and 1968 (9 and 14 percent, respectively), an estimated 36 million people still did not have hospital insurance and about 39 million were without surgical insurance. Persons living in farm households in nonmetropolitan areas, in households with incomes of less than $5,000, and in those in which the head had less than an eighth grade education were the least likely to be covered. Nonwhite persons also had a coverage rate much lower than that of white persons.

Estimates of health insurance coverage are based on interviews conducted as part of the Health Interview Survey Program of the Public Health Service. Health insurance is defined as any plan specifically designed to pay all or part of the medical or hospital expenses of the insured individual. Coverage by both group and individual policies is included. Accident liability insurance and policies paying only for loss of income are excluded, as are programs providing free care such as that given under Medicaid or the Uniformed Services Dependents Medical Care Program. The survey data presented here are for hospital insurance coverage only. Surgical insurance coverage rates are similar throughout the country. Also, the data refer only to the population below age 65. Nearly all persons 65 and over now have hospital insurance under Medicare and over 90 percent have surgical and other types of physician care covered under Part B of the Medicare Program.

Coverage by family characteristics. -- Hospital insurance coverage was lowest for persons between ages 17 and 24 (see table). Persons in this age group may no longer be eligible for coverage on their parent's policies and may not yet be enrolled for individual coverage. Persons below age 17 had lower rates of coverage than those 25 years or older. For example, only 75 percent of the children and youth less than 17 years old were covered compared with 83 percent of the adult population 25 to 44 years of age.

Between 1963 and 1968 the coverage rate for nonwhite persons increased by 20 percent. This compares with an 8 percent increase for white persons. Despite this increase, only 56 percent of nonwhites had hospital insurance in 1968 compared with 81 percent of the white population.

Recognizing the importance of having health insurance and being able to pay for it are important factors in the extent of coverage. Persons living in families with higher incomes and education were more likely to be covered by hospital insurance. Only 57 percent of persons in families where the head had less than 8 years of education were covered by hospital insurance. As the years of education increased, the rate of coverage increased also. More than 90 percent of persons with family incomes of $10,000 and over had hospital insurance compared with 36 percent of those with family incomes of less than $3,000. When persons without health insurance were asked why they did not have it, 41 percent said they could not afford it. About 17 percent had some other form of aid available, 5 percent said they did not believe in insurance or had good health, and 5 percent said insurance was not available.

Married persons had higher rates of hospital insurance coverage (84 percent) than those who were never married (74 percent), widowed (70 percent), divorced (68 percent) or separated (48 percent).

Hospital insurance coverage of persons under 65, 1968

Characteristic	All persons covered	Age			
		Under 17 years	17 to 24 years	25 to 44 years	45 to 64 years
	Percent	Percent	Percent	Percent	Percent
All	78.2	75.0	74.0	82.6	81.1
Sex					
Male	78.7	74.7	74.5	84.4	81.6
Female	77.8	75.3	73.6	80.9	80.7
Family income					
Under $3,000	36.3	23.3	52.2	31.8	44.1
$3,000 to $4.999	56.8	49.0	58.2	58.1	67.7
5,000 to 6,999	78.5	74.6	75.4	81.5	84.0
7,000 to 9,999	89.3	88.4	84.2	91.2	91.3
10,000 and over	92.3	91.8	87.9	94.0	93.3
Education of head					
Less than 8 years	56.7	48.3	49.6	61.6	66.1
8 years	71.4	65.1	65.5	73.0	78.5
9 to 11 years	74.3	69.3	69.2	78.3	82.5
12 years	84.2	82.2	80.0	86.7	87.7
13 years or more	89.5	89.1	85.6	91.6	89.8
Race					
White	81.4	79.6	76.9	84.7	83.2
All other	56.0	49.4	54.5	65.8	61.1
Urbanization					
Metropolitan	81.3	78.2	77.0	84.8	84.6
Nonmetropolitan					
Nonfarm	74.4	71.0	70.3	79.8	76.9
Farm	61.9	59.7	56.3	65.7	64.7
Occupation					
White-collar workers	88.7	1/	82.8	90.5	89.8
Blue-collar workers	83.0	1/	73.8	84.0	86.8
Service workers	72.5	1/	68.1	73.7	74.2
Private household workers	55.7	1/	59.9	50.1	57.5
Farmworkers	54.5	1/	50.2	51.0	58.5
Farmers and farm managers	65.9	1/	65.6	64.8	66.5
Farm laborers and foremen	37.0	1/	46.1	29.4	35.0

1/ Not available

Source: U.S. Department of Health, Education, and Welfare, Public Health Service. Hospital and Surgical Insurance Coverage; United States - 1968. Vital and Health Statistics, Ser. 10, No. 66. January 1972.

Residents of metropolitan areas were more likely to be covered than residents outside these areas. Among those in the metropolitan areas about 81 percent had hospital insurance compared with 74 percent of those in nonfarm areas. In farm households only 62 percent were covered.

Coverage by occupation and employment status. -- Among persons in the labor force (age 17-64), white-collar workers had higher coverage rates than blue-collar and service workers. The occupational categories in which group policies are readily available had the highest rates of coverage among their members. Professional and technical workers, managers, officials, proprietors, clerical and sales persons, craftsmen, and operatives had health insurance rates in excess of 80 percent. Farm laborers, who would usually have to obtain insurance on an individual basis, had a very low rate of coverage (37 percent). Only one-half of private household workers (most of whom are women) were covered compared with almost three-fourths of other service workers.

Persons who were "usually working" were more often covered by health insurance than the retired or those who were keeping house or engaged in some other nonemployment activity such as attending school. Also, persons with a disability that prevented them from doing productive work in or out of the home often lacked coverage. Only 48 percent of the 2.6 million persons with such a disability had hospital insurance coverage. Employed workers are usually better able to afford the cost of health insurance. Only 64 percent of the unemployed members of the labor force had hospital insurance compared with 84 percent of those who were currently employed.

Source: U.S. Department of Health, Education, and Welfare, Public Health Service. Hospital and Surgical Insurance Coverage; United States - 1968. Vital and Health Statistics, Ser. 10, No. 66. January 1972.

The purchase price is only the first in a long line of costs that must be paid over the life of an automobile. The owner of a 1972 standard-sized automobile can expect to spend 13.6 cents a mile or $13,553 over 10 years to drive and maintain the automobile. Depreciation is the greatest single cost followed by maintenance, accessories, parts, and tires; gas and oil; garage, parking, and tolls; insurance; and State and Federal taxes (see table).

These costs, from a study by the Federal Highway Administration, U. S. Department of Transportation, are for an automobile operated from a home in suburban Baltimore, Md. The study assumes that the automobile is driven 100,000 miles over a 10-year period: 14,500 miles the first year and successively fewer miles in each of the remaining 9 years.

Costs are also given for 1972 compact and subcompact automobiles. The cost of driving and maintaining the compact over the 10-year period is $10,808 and for the subcompact, $9,444. The operating costs for the standard-sized, compact, and subcompact automobiles are not entirely comparable because the standard-sized car is assumed to have such optional features as air conditioning and a V-8 engine that are not assumed to be part of the smaller cars. These items of optional equipment will affect the costs for maintenance, gas, and insurance.

Cost per mile of operating an automobile, by size of automobile

Size of car	Total cost	Depreciation	Maintenance, accessories, parts, and tires	Gas and oil (excluding taxes)	Garage, parking, and tolls	Insurance	State and Federal taxes
	Cents	Cents	Cents	Cents	Cents	Cents	Cents
Standard -------	13.6	4.4	2.6	2.1	1.8	1.4	1.3
Compact -------	10.8	2.7	2.2	1.8	1.8	1.3	1.0
Subcompact ----	9.4	2.1	2.1	1.4	1.8	1.2	.8
	Percentage distribution						
	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.
Standard -------	100	32.4	19.1	15.4	13.2	10.3	9.6
Compact -------	100	25.0	20.4	16.7	16.7	12.0	9.3
Subcompact ----	100	22.3	22.3	14.9	19.2	12.8	8.5

Note.--Assuming operation over 10 years and 100,000 miles from suburban Baltimore, Md.

Source: Liston, L. L., and Gauthier, C. L. Cost of Operating an Automobile. U.S. Dept. Transportation, Fed. Highway Admin., April 1972.

AUTUMN 1971 BUREAU OF LABOR STATISTICS COST ESTIMATES FOR URBAN FAMILY BUDGETS

The costs of the autumn 1971 urban family budgets are about 3 percent higher than the budgets for spring 1970. This brings the U. S. average cost to $7,214 at a lower level, $10,971 at an intermediate level, and $15,905 at a higher level. These costs are for an urban family of four: a 38-year-old husband, his wife who is not employed, a boy of 13, and a girl of 8.

The breakdown of the budgets is shown in the table below. The consumption items -- food, housing, clothing, transportation, medical care, and other family consumption -- came to 81 percent of the total budget at the lower level. The other 19 percent covered gifts and contributions, occupational expenses, life insurance, social security, and personal income taxes. The consumption items represented 79 percent and 75 percent of the intermediate and higher budgets respectively.

Item	Lower budget	Intermediate budget	Higher budget
Total budget	$7,214	$10,971	$15,905
Total family consumption	5,841	8,626	11,935
Food	1,964	2,532	3,198
Housing	1,516	2,638	3,980
Transportation	536	964	1,250
Clothing and personal care	848	1,196	1,740
Medical care	609	612	638
Other family consumption	368	684	1,129
Gifts and contributions, occupational expenses, life insurance	357	560	937
Taxes	1,016	1,785	3,033
Social security and disability payments	387	419	419
Personal income taxes	629	1,366	2,614

Estimated annual costs of consumption for families of different size and composition and the costs for 41 metropolitan areas are available in BLS News release USDL - 72-240, April 27, 1972.

SOME NEW USDA PUBLICATIONS

(Please give your ZIP code in your return address when you order these.)

The following are for sale by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402:

- NUTRITION PROGRAMS FOR THE ELDERLY--A GUIDE TO MENU PLANNING, BUYING, AND THE CARE OF FOOD FOR COMMUNITY PROGRAMS. ARS 62-22. 50 cents.
- RECIPES FOR QUANTITY SERVICE. HERR 5. $5.75.

Single copies of the following are available free from the U.S. Department of Agriculture, Washington, D.C. 20250. Please address your request to the office indicated.

From the Office of Information:

- TREES FOR SHADE AND BEAUTY: THEIR SELECTION AND CARE. HG 117.
- TRANSPLANTING ORNAMENTAL TREES AND SHRUBS. HG 192.
- HOW TO BUY POTATOES. G 198.

From Information Division, Office of Management Services:

- IMPACT OF JOB DEVELOPMENT ON POVERTY IN FOUR DEVELOPING AREAS, 1970. AER 225.
- HOMEMAKERS' OPINIONS ABOUT FIBERS IN SELECTED HOUSEHOLD ITEMS: A NATIONWIDE SURVEY. MRR 958.

CONSUMER PROTECTION OFFICES

Forty-five States, the Virgin Islands, and the Commonwealth of Puerto Rico now have consumer offices. The responsibilities and powers of each of these offices varies from advisory only to actual enforcement of consumer protection laws. Within each State, responsibility for the consumer office may be in one or several branches of the government. Following is a list of these offices. The code in parentheses indicates where the responsibility lies. 1/

Alaska (AG)
Arizona (AG)
Arkansas (AG)
California (AG-IND)
Colorado (AG)
Connecticut (AG-IND)
Delaware (AG-IND)
Florida (AG-AGR)
Georgia (IND)
Hawaii (GOV)
Idaho (AG)
Illinois (AG)
Indiana (AG-CO)
Iowa (AG)
Kansas (AG)
Kentucky (AG-IND)
Louisiana (AGR)
Maine (AG)
Maryland (AG)
Massachusetts (AG-GOV-IND)
Michigan (AG-GOV-IND)
Minnesota (AG-CO)
Mississippi (AG-AGRCO)
Missouri (AG)
Nebraska (AGR)
Nevada (CO)
New Hampshire (AG)
New Jersey (AG)
New Mexico (AG)
New York (AG-GOV)
North Carolina (AG)
North Dakota (AG)
Ohio (AG)
Oklahoma (IND)
Oregon (AG-CO)
Pennsylvania (AG-AGR)
Rhode Island (AG-IND)
South Dakota (AG)
Texas (AG-IND)
Utah (AG-IND)
Vermont (AG)
Virginia (AG-GOV-AGRCO)
Washington (AG)
West Virginia (AG-L)
Wisconsin (AG-AGR)
Wyoming (IND)
Puerto Rico (AG)
Virgin Islands (IND)

In addition to these State offices, 53 cities and 18 counties have consumer offices with varying responsibilities and power.

1/ CODE: AG -- Office of the Attorney General; AGR -- Department of Agriculture; AGRCO -- Department of Agriculture and Commerce (one Department); GOV -- Office of the Governor; CO -- Department of Commerce; L -- Department of Labor; IND -- independent office.

Source: Consumer Alert. Federal Trade Commission. vol. 11, No. 4, April 1972.

BUDGETING BY FOOD GROUPS

Some family food managers like to budget their food money by food groups. The share that goes to a food group is to some extent personal preference. Families may be willing to use economical choices of one group if they can splurge on another. The share of each food dollar that U.S. families across the country spend for major food groups is shown in the first column below. The way these families would have divided their dollars if they had followed the low-cost food plan 1/ for getting a good diet is shown in the second column.

Food group 1/	Family practices	Low-cost plan
Milk, cheese, ice cream	$ 0.13	$ 0.18
Meat, poultry, fish, eggs, legumes	.40	.30
Vegetables and fruit	.20	.25
Cereals, bakery products	.13	.16
Other foods	.14	.11
	$ 1.00	$ 1.00

1/ The cost of commercially prepared mixtures is included with the food group of the main ingredient.

The food manager who budgets food money like the average family in the United States could get a good diet at lower cost by using a larger share of each dollar for --

- milk and milk products
- vegetables and fruit
- cereals and bakery products

and less of each dollar for --

- foods in the meat group, and
- other foods such as fats, oils, sugar, sweets, coffee, tea, and soft drinks.

1/ The total cost of food in the low-cost plan can be estimated for any family from the table on p. 22.

Cost of food at home estimated for food plans at three cost levels, June 1972, U.S. average 1/

Sex-age groups 2/	Cost for 1 week			Cost for 1 month		
	Low-cost plan	Moderate-cost plan	Liberal plan	Low-cost plan	Moderate-cost plan	Liberal plan
	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars
FAMILIES						
Family of 2:						
20 to 35 years 3/	19.40	24.60	30.50	83.70	107.00	132.00
55 to 75 years 3/	15.80	20.60	24.90	68.50	89.30	107.70
Family of 4:						
Preschool children 4/	28.10	35.70	43.70	121.30	155.10	189.40
School children 5/	32.60	41.70	51.40	141.10	181.10	223.00
INDIVIDUALS 6/						
Children, under 1 year	3.70	4.70	5.20	16.10	20.30	22.70
1 to 3 years	4.80	6.00	7.20	20.60	26.00	31.20
3 to 6 years	5.70	7.30	8.80	24.60	31.80	38.20
6 to 9 years	6.90	8.90	11.10	30.00	38.60	48.30
Girls, 9 to 12 years	7.90	10.20	12.00	34.10	44.30	52.00
12 to 15 years	8.70	11.30	13.70	37.60	49.10	59.60
15 to 20 years	8.90	11.30	13.40	38.40	48.80	58.10
Boys, 9 to 12 years	8.10	10.40	12.60	35.00	45.20	54.70
12 to 15 years	9.40	12.50	14.90	40.90	54.00	64.60
15 to 20 years	10.90	13.90	16.80	47.20	60.20	72.90
Women, 20 to 35 years	8.20	10.40	12.60	35.30	45.20	54.70
35 to 55 years	7.80	10.00	12.20	33.90	43.50	52.60
55 to 75 years	6.60	8.60	10.30	28.70	37.40	44.80
75 years and over	6.00	7.70	9.40	26.10	33.20	40.80
Pregnant	9.70	12.20	14.40	42.10	52.80	62.60
Nursing	11.20	14.00	16.40	48.70	60.70	71.20
Men, 20 to 35 years	9.40	12.00	15.10	40.80	52.10	65.30
35 to 55 years	8.70	11.20	13.70	37.90	48.50	59.40
55 to 75 years	7.80	10.10	12.30	33.60	43.80	53.10
75 years and over	7.20	9.70	11.80	31.40	42.20	51.10

1/ Estimates computed from quantities in food plans published in Family Economics Review, October 1964. Costs of the plans were first estimated by using average price per pound of each food group paid by urban survey families at 3 income levels in 1965. These prices were adjusted to current levels by use of Retail Food Prices by Cities, released by the Bureau of Labor Statistics.

2/ Persons of the first age listed up to but not including the second age.

3/ 10 percent added for family size adjustment.

4/ Man and woman, 20 to 35 years; children 1 to 3 and 3 to 6 years.

5/ Man and woman, 20 to 35 years; child 6 to 9; and boy 9 to 12 years.

6/ Costs given for persons in families of 4. For other size families, adjust thus: 1-person, add 20 percent; 2-person, add 10 percent; 3-person, add 5 percent; 5-person, subtract 5 percent; 6-or-more-person, subtract 10 percent.

CONSUMER PRICES

Consumer Price Index for Urban Wage Earners and Clerical Workers
(1967 = 100)

Group	July 1972	June 1972	May 1972	July 1971
All items	125.5	125.0	124.7	121.8
Food	124.2	123.0	122.3	119.8
Food at home	122.4	120.9	120.2	118.1
Food away from home	131.3	130.9	130.4	126.5
Housing	129.5	129.0	128.5	124.5
Shelter	134.9	134.1	133.4	128.8
Rent	119.0	118.8	118.3	115.4
Homeownership	140.7	139.6	138.9	133.5
Fuel and utilities	120.2	120.1	120.1	115.5
Fuel oil and coal	117.7	117.8	118.7	117.5
Gas and electricity	120.3	120.3	120.5	114.7
Household furnishings and operation	121.1	121.0	120.8	118.9
Apparel and upkeep	121.1	122.1	122.5	119.3
Men's and boys'	120.4	121.9	122.4	119.9
Women's and girls'	121.2	122.6	123.4	119.3
Footwear	124.6	124.7	124.6	120.9
Transportation	120.3	119.8	119.5	119.5
Private	117.8	117.3	117.1	117.4
Public	143.3	143.0	142.7	139.0
Health and recreation	126.3	126.1	125.8	122.6
Medical care	132.7	132.4	132.0	129.3
Personal care	120.0	120.0	119.7	117.1
Reading and recreation	123.0	122.9	122.5	119.6
Other goods and services	125.8	125.6	125.4	121.2

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Index of Prices Paid by Farmers for Family Living Items
(1967 = 100)

Item	Aug. 1972	July 1972	June 1972	May 1972	Apr. 1972	Mar. 1972	Aug. 1971
All items	125	125	124	124	123	123	120
Food and tobacco	-	-	121	-	-	119	-
Clothing	-	-	132	-	-	131	-
Household operation	-	-	120	-	-	120	-
Household furnishings	-	-	118	-	-	117	-
Building materials, house	-	-	133	-	-	131	-

Source: U.S. Department of Agriculture, Statistical Reporting Service.